

Fraud of the Month - 05/06 - Magazine Sales Scams

The Latest Scams Circulating the Consumer World. Be warned. Be informed.

May 2006

Magazine Sales Scams

Summer is fast approaching, and many teenagers will be looking for a job to earn money. Magazine sales companies often target young adults to sell magazines door-to-door promising them a chance to see the country. Read on to find out why you should discourage teenagers from signing up for this job and what to do if a young adult shows up on your doorstep selling magazines.

How the Scam Works

A teenager knocks on your front door to sell you a magazine and convince you that a portion of the proceeds will go towards one of the following or something similar:

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Charity

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Earning tuition

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Going to camp

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Winning a prize

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Working their way through school

There are two victims in this scam:

1. You

If you buy a magazine from them, it is highly likely that you will be overcharged and never receive the magazine(s) that you order. While most magazine publishers take 90 days to deliver the first issue, youâ€™ll be waiting even longer for these magazines to show up.

2. The Teenager

The young adults who sign up for this work often get scammed as much as the customers who buy the subscriptions. They receive promises of reasonable incomes but find out later that the work is not as easy or profitable as advertised. The sales companies prompt the teenagers with the misleading sales pitch, even though none of the sale proceeds goes to charity, tuition, or camp.

Play it Safe

- Discourage young adults from magazine sales jobs.
- Beware of the emotional appeal of buying from a teenager selling door-to-door.
- If you buy from a door-to-door salesperson in your home, and the purchase is more than \$25, you're protected under the FTC's Cooling-Off Rule. The Rule gives you three days to cancel your order and receive a full refund. The seller must tell you that you have a right to cancel, and give you a summary of your cancellation rights and two copies of the cancellation form. Ask to see the required cancellation notice before you agree to buy. If the salesperson doesn't have it, don't place an order.

Source: www.ftc.gov